

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Hugger Mugger

#### Utah Manufacturing Extension Partnership

#### Hugger Mugger Expands and Implements Kanban System

##### Client Profile:

Hugger Mugger, established in 1982, is a yoga and exercise products designer, manufacturer, distributor, and retailer. Hugger Mugger was the first yoga company to produce yoga props and mats in the U.S. The company employs 50 people at its facility in Salt lake City, Utah.

##### Situation:

Hugger Mugger was growing and moving in too many different types of distribution channels. The company felt they needed to reorganize with a goal of handling both small individual orders as well as large shipments, international shipments, and special original equipment manufacturer requirements. Hugger Mugger management felt that Lean manufacturing would be the answer to their problem and contacted the Utah Manufacturing Extension Partnership (MEP Utah), a NIST MEP network affiliate, for help.

##### Solution:

MEP Utah provided Lean 101 classes for company employees and then began a 5S (Sort, Set in Order, Shine, Standardize, Sustain) Visual Workplace implementation. MEP Utah also provided a LeanErgy (Green & Lean) assessment and Value Stream Mapping. These projects helped Hugger Mugger to identify other areas of the business that could be impacted using Lean tools. In addition, with new and expanded markets, Hugger Mugger was in need of more manufacturing space. The company moved into a bigger facility, and MEP Utah helped Hugger Mugger incorporate Lean principles, including 5S and Kanban, into the new layout which allowed the company to better support their manufacturing and warehouse needs. These projects, along with visual controls, helped with the success of the new facility. The Kanban visual inventory control system allows Hugger Mugger to avoid stock outs as well as excess inventory. With this system, parts are placed in individual bins, and each bin has a card attached that provides key information about minimum and maximum levels of inventory as well as the supplier. Once they hit a minimum level of parts in the bin, it triggers the reorder process to begin. An employee then takes the card to the purchasing agent to order the item in the quantity specified on the card. This system has helped Hugger Mugger control their inventory levels and improve communication between the office and the shop floor. Items are ordered as needed and at the right quantities.

##### Results:

- \* Increased sales by \$600,000.
- \* Realized \$93,000 in cost savings.
- \* Invested \$60,000 in relocation of plant.
- \* Retained 22 jobs.

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\* Improved company culture and teamwork.

**Testimonial:**

"MEP Utah's project engineer, Kelly Davis, made a huge difference in our business and in our employees' way of thinking for the better. We thoroughly enjoyed working with him and look forward to every visit as we know that it makes us more productive and profitable."

Operations Director, Lisa Rappl